**GOODYEAR TIRE & RUBBER COMPANY & ANOR.**

**v.**

**SILVERSTONE TIRE AND RUBBER CO. SDN. BHD.**

HIGH COURT, KUALA LUMPUR
DATO' HAJI ABDUL MALEK BIN HAJI AHMAD J.
[GUAMAN SIVIL NO. D5-22-660-1993]
20 NOVEMBER 1993

***COPYRIGHT: Essence of claims in copyright - Claim of copyright to drawings on tyre design - Whether claim in respect of original artistic work - Whether claim in respect of ideas - Copyright and patent - Distinctions thereof - Copyright Act 1987.***

***WORDS AND PHRASES: "Original".***

The plaintiffs and the defendant were tyre manufacturers and sellers with the first plaintiff having its business base in the United States of America. In 1990 the first plaintiff invented and designed Aquatred tyre which they claimed a breakthrough product having a unique and distinctive tread design. In 1991 Aquatred tyres were introduced into the American market and in October 1992 the tyres made its marketing debu in Malaysia. In April 1993, six months after Aquatred tyres entered the Malaysian market, the defendant introduced and started selling in Malaysia a new tyre of their own known as Aquagrip.

The plaintiffs applied for an injunction to restrain the defendant, *inter alia*, from further producing, dealing with and selling Aquagrip tyres in Malaysia on the grounds that:

1. The first plaintiff were the original author and copyright owner of the so called two dimensional and three dimensional drawings (the said drawings) upon which the tread design of Aquatred tyres were based;
2. The said drawings were artistic works eligible for protection under the Copyright Act 1987;
3. The tread designs of Aquagrip tyres were based on and copied from the said drawings with the result that Aquagrip tyres amounted to and became nothing less than a mere reproduction or substantial reproduction of Aquatred tyres, and
4. By introducing Aquagrip tyres into the Malaysian market the defendant had not only passed off Aquagrip tyres as Aquatred tyres but had also infringed on the first plaintiff's copyright.

The defendant argued that copyright laws did not and could not apply as what the plaintiffs tried to protect in this case were ideas relating to the function of tyres and not original artistic works.

**Held:**

**[1]** Copyright laws are not concerned with reproduction of ideas however original they are but are merely concerned with the reproduction of the forms in which the ideas were expressed. In the instant case what the plaintiffs are asking to protect is the idea of the function of the tyre and not its artistic value.

**[2]** Copyright is not a monopoly. Thus if it can be shown that two precisely similar works were in fact produced independently of one another, there can be no infringement of copyright by one of the other.

**[3]** This is not a proper case for the grant of injunction. Although there is a serious question to be tried the balance of convenience lies with the defendant. To grant the injunction would only give the plaintiffs an unfair monopoly of the tyre market of the aqua design.

**[4]** The plaintiffs have not shown that the get-up on the Aquatred tyres is distinctive of the plaintiffs to the exclusion of all others and that the public would recognise the tyre by its get up and not its name. In the circumstances, the allegation of passing off cannot be sustained.

*[Application dismissed].*

**Cases listed at the end of the judgment as "Cases referred to":**

*Ladbroke (Football) Ltd. v. William Hill (Football) Ltd. [1964] 1 All ER 465*
*Longman Malaysia Sdn. Bhd. v. Pustaka Delta Pelajaran Sdn. Bhd. [1987] 2 MLJ 359*
*British Leyland Motor Corpn. Ltd. & Anor. v. Armstrong Patents Co. Ltd. & Anor. [1986] 1 All ER 850*
*Peko Wallsend Operations Ltd. & 3 Ors. v. Linatex Process Rubber Bhd. [1993] 1 AMR 17*
*Erven Warnink Besloten Vennootschap & Anor. v. J. Townend & Sons (Hull) Ltd. & Anor. [1979] AC 731*
*Baskin Robbins International Co. & Anor. v. Avonday Sdn. Bhd. [1992] 2 CLJ 1198*
*Baskin-Robbins Ice Cream Co. & Anor. v. Gutman & Anor. [1976] FSR 545*
*Tan-Ichi Company Ltd. v. Jancar Ltd. & Ors. [1990] FSR 151*

*Metric Resources Corpn. v. Leasemetrix Ltd. & Anor. [1979] FSR 571*
*American Cyanamid Co. v. Ethicon Ltd. [1975] 1 All ER 504*
*Westpac Banking Corpn. v. Goodmaker Leasing Corpn. Bhd. & Anor. 8 1PR 9*
*Television Broadcasts & 2 Ors. v. Seremban Video Centre Sdn. Bhd. [1984] 1 CLJ 196*
*Slick Brands (Clothing) Limited v. Jollybird Limited [1975] FSR 470*
*Sodastream Ltd. v. Thorn Cascade Co. Ltd. & Anor. [1982] RPC 459*
*Reckitt & Colman Products Ltd. v. Borden Inc. & Ors. [1987] FSR 228*
*Belfast Ropework Co. Ltd. v. Pixdane Ltd. [1976] FSR 337*
*J.C. Penney Co. Inc. v. Penneys Ltd. & Ors. [1975] FSR 367*
*Improver Corpn. v. Remington Consumer Products Ltd. [1989] RPC 69*
*Garden Cottage Foods Ltd. v. Milk Marketing Board [1983] 2 All ER 770*
*Interlego AG v. Tyco Industries Inc. & Ors. [1987] FSR 409*
*Joanna Christina Gleeson & Gleeson Shirt Co. Ltd. v. H.R. Denne Ltd. [1975] RPC 471*
*Tee Yih Jia Food Manufacturing Pte. Ltd. v. Seet Chuan Seng & Anor. [1993] 2 CLJ 354*
*Tong Guan Food Products Pte. Ltd. v. Hoe Huat Hing Foodstuff Pte. Ltd. [1991] 2 MLJ 361*
*Leisure Farm Corpn. Sdn. Bhd. v. Syarikat Kemajuan Kim Yon Sdn. Bhd. [1990] 1 MLJ 44*
*Roxy Electric Industries (Malaysia) Bhd. v. Syarikat Nominee Bumiputra Sdn. Bhd. & Ors. [1989] 3 MLJ 231*
*Cayne & Anor. v. Global Natural Resources plc. [1984] 1 All ER 225*
*British Leyland Motor Corpn. Ltd. & Anor. Armstrong Patents Co. Ltd. & Anor. [1986] 1 All ER 850*
*Pakai Industries Bhd. v. Chen Yew Industries Sdn. Bhd. [1991] 2 CLJ 1574*
*Kenrick & Co. v. Lawrence & Co. [1890] 25 OBD PP*
*L.B. (Plastics) Ltd. v. Swish Products Lte. [1979] FSR 145*
*Phonographic Performance (South East Asia) Ltd. v. California Entertainments Ltd. [1988] Civil Appeal No. 31*
*Smith & Ors. v. Greenfield & Ors. [1985] FSR 9*
*Fletcher Challenge Ltd. v. Fletcher Challenge Pty. Ltd. & Ors. [1982] FSR 1*
*Compagnie General Des Eaux v. Compagnie General Des Eaux Sdn. Bhd. [1992] 4 CLJ 1979*
*Asia Television Ltd. & Anor. v. Viwa Video Sdn. Bhd. & Connected Cases [1984] 2 MLJ 304*
*CPC (UK) Ltd. v. Keenan [1986] FSR 217*

**Legislation referred to:**
Registered Designs Act 1949 (UK)

*For the plaintiffs - Porres Royan (Michael Soo with him); M/s. Shook Lin & Bok*
*For the defendant - S. Ambiga (Timothy Siaw with him); M/s. Skrine & Co.*

## JUDGMENT

**Haji Abdul Malek bin Haji Ahmad J:**
The plaintiff had by summons in chambers filed on 23 June 1993 applied for the following orders:

1. That the defendant whether acting by its directors, officers, servants or agents or any of them or otherwise howsoever be restrained until further order or pending trial of this action from doing the following acts or any of them that is to say:

   (a) reproducing or substantially reproducing in any material form, possessing or selling by way of trade, distributing in the course of business, tyres known as Aquagrip tyres, being unlicensed reproductions or substantial reproductions of the first plaintiff's said drawings and/or three-dimensional tyres for which copyright subsists in favour of the first plaintiff in Malaysia of Aquatred tyres as are more specifically described in the statement of claim (hereinafter referred to as "the first plaintiff's said drawings and three-dimensional tyres" respectively);
   (b) causing, enabling or assisting others to reproduce and/or dispose off unlawfully without the consent or licence of the first plaintiff in any material form by possessing, or selling by way of trade, distributing in the course of trade of tyres known as Aquagrip tyres, being unlicensed reproductions or substantial reproductions of the first plaintiff's said drawings and/or three-dimensional tyres of Aquatred tyres for which copyright subsists in favour of the first plaintiff in Malaysia;
   (c) converting to and for its own use and purpose the first plaintiff's drawings and/or three-dimensional tyres of Aquatred tyres for which copyright subsists in favour of the first plaintiff in Malaysia in any material form by possessing, or selling by way of trade, distributing in the course of trade or tyres known as Aquagrip tyres, being unlicensed reproductions or substantial reproductions of the first plaintiff's said drawings and/or three-dimensional tyres of Aquatred tyres;
   (d) exposing or offering for sale tyres known as Aquagrip tyres, being unlicensed reproductions or sub-stantial reproductions of the first plaintiff's said drawings

and/or three-dimensional tyres of Aquatred tyres;

(e) passing off or attempting to pass off or causing, enabling or assisting others to pass off tyres not the tyres of the plaintiffs as and for the tyres of the plaintiffs or as indicating a connection or association with the plaintiffs by the use or purported use or in connection therewith in the course of trade the get-up comprising of the tread design and/or other features which are colourably, confusingly or deceptively similar to that of the plaintiffs' Aquatred tyres; or

(f) passing-off or attempting to pass off or causing, enabling or assisting others to pass off tyres not the tyres of the plaintiffs as the tyres of the plaintiffs or as indicating a connection or association with the plaintiffs by the use or purported use or in connection therewith in the course of trade the word "Aquagrip" or any colourable imitation thereof.

2. That the defendant do forthwith withdraw, remove or retrieve from the market all its tyres which are reproductions or substantial reproductions of the plaintiffs' said drawings and/or three-dimensional tyres of Aquatred tyres and/or consisting of a get-up comprising of the tread design and/or other features which are colourably, confusingly or deceptively similar to the get-up of the plaintiffs' Aquatred tyres and/or tyres bearing the word "Aquagrip" and/or any other word or words which are colourably or confusingly similar to the word "Aquatred";

3. That the defendant do within seven (7) days of the date of service of this order upon it or its solicitors affirm and file an affidavit and serve a copy thereof upon the plaintiffs' solicitors, Messrs Shook Lin & Bok of 20th Floor, Arab-Malaysian Building, 55, Jalan Raja Chulan, 50200 Kuala Lumpur setting forth accurately and in detail:

(a) the number and quantity in term of units of Aquagrip tyres it has manufactured (including any and all manufactured on its behalf by any contract manufacturer), distributed, supplied and/or sold in Malaysia;

(b) the names and addresses of all persons, firms and companies to whom the defendant has sold or distributed or intend to sell and distribute its Aquagrip tyres; and

(c) the quality and cost of its tyres sold and distributed by the defendant until the terms of the service of the order herein and do exhibit thereto all relevant contracts, invoices, order forms and all other documents or copies thereof in the defendant's or its agents' possession, power, custody or control and confirm that the transactions therein appearing refer to the Aquagrip tyres;

4. That the costs of and incidental to this application be paid by the defendant to the plaintiffs; and

5. Such further or other relief as this Honourable Court may deem fit.

It is the plaintiffs' case that being an established leader of, and one of the largest, tyre manufacturers and sellers in the world, their team of experts had in April 1990 designed and invented a revolutionary tyre known as Aquatred. As such, they maintain that they are the copyright owner of the two dimensional and three dimensional drawings of Aquatred tyres and are eligible for protection under the Copyright Act 1987 (hereinafter "the Act") by virtue of Malaysia's accession to the Berne Convention for the Protection of Literary and Artistic Works 1886 (hereinafter "the Berne Convention").

On 20 November 1990, the first plaintiff had filed a patent design application No. 616,298 for an invention entitled "Pneumatic Tire Tread and Buttress" in the United States of America (hereinafter "the United States") and on 22 September 1992, US Patent Design No. 329,627 was granted to the first plaintiff. On 8 March 1991, the first plaintiff had filed a patent application No. 666,329 for an invention entitled "Pneumatic Tire Having A Unique Footprint" in the United States in respect of the Aquatred tyre and on 5 January 1993, US Patent No. 5,176,766 was granted to the first plaintiff.

In or about October 1991, the first plaintiff had manufactured, distributed and sold Aquatred tyres reproduced from the two-dimensional drawings in the United States and for the period from October 1991 to June 1993, more than a million Aquatred tyres had been sold in the United States. In the process, the first plaintiff had expended more than US$30 million for advertising and promoting the Aquatred tyres in the United States and more than RM 1 million had been expended for similar purposes in Malaysia. Before they were commercially launched in the United States, Malaysia, Europe and other countries, the first plaintiff had expended about US$4.15 million in research and development. The Aquatred tyres had proved to be a tremendous success in the United States and Malaysia.

As at April 1993, the first plaintiff had manufactured and sold more than 46,000 Aquatred tyres in Europe. Earlier, in October 1992, the Aquatred tyres were imported and about two thousand were sold in Malaysia by the second plaintiff. The launch and sales had been widely publicised. The plaintiffs contend that the Aquatred tyres have a unique and distinctive get-up namely the centre groove which had won or been awarded a number of awards for being a revolutionary and break-through product of the first of its kind in the tyre industry around the world.

The plaintiffs claim that in April 1993, the defendant had launched and sold Aquagrip tyres which were a reproduction or a substantial reproduction of the two dimensional drawings of the Aquatred tyres which constitute an infringement of copyright in the plaintiffs' dimensional drawings and tyres and passing off its Aquagrip tyres as and for Aquatred tyres.

Learned Counsel for the plaintiffs had argued that their two dimensional drawings are artistic works eligible for protection under the Act and that the employees of the first plaintiff had expended sufficient skill, time and effort in making the drawings original in character. He had further submitted that the artist of the drawings entitled to protection under the Act is the author in whom the copyright is conferred and where the work is made in the course of the author's employment, the copyright is deemed to be assigned to the author's employer, and unless there is express agreement to the contrary, the first plaintiff is the owner of the copyright. The test of originality, he had continued, is whether the author had put in sufficient effort and time in creating the work and the law does not demand original or inventive thought as it suffices if it has not been copied from someone else.

Learned Counsel had reiterated that to allege that the plaintiffs had copied the Aquatred tyre tread design from someone else is untenable as the first plaintiff had designed a tyre with a centre channel similar to the Aquatred tyre tread design as early as in 1982. He had alleged that the defendant's Aquagrip tyres are a reproduction or a substantial reproduction of the plaintiffs' drawings or were reproduced from the Aquatred tyres by way of reverse engineering. He further stated that since the plaintiffs had acquired a substantial degree of reputation and goodwill in the Aquatred tyre in that its get up is destinctive of the plaintiffs by reason of extensive use, sales and promotion in the United States and Malaysia, the plaintiffs had shown a valid cause of action for passing off. His view was that there is a serious question to be tried, the balance of convenience lies in favour of the plaintiffs and damages are not an adequate remedy for copyright infringement.

Learned Counsel for the defendant had replied that a patent was different from copyright as under the law the former protects ideas but the latter does not but only protects artistic work which has to be original. She submitted that the plaintiffs were seeking to protect the function of tyres as opposed to artistic work but all the time, money and effort put in were for the principles of the function of the tyre and not the artistic work. As such, her view was that the plaintiffs had not established all the legal requirements for copyright protection. There was also no evidence, she added, as to who the author was, as the work would only subsist during the life of the author plus fifty years, and there was no contract of employment to show that it was done in the course of employment nor any evidence as to which drawing came first.

Having considered the affidavits, arguments and authorities and having studied the relevant drawings and examined the samples of the actual tyres involved, I had come to the conclusion that this was not a proper case to grant the injunction as applied for by the plaintiffs. I had accordingly dismissed their application with costs.

To support this finding, it is relevant to reproduce some excerpts from Copinger and Skone James on Copyright. The first at p. 1 reads:

> Copyright law is concerned, in essence, with the negative right of preventing the copying of physical material. It is not concerned with the reproduction of ideas, but with the reproduction of the form in which ideas are expressed. Originally copyright law was concerned with the field of literature and the arts but, in seeking, in particular, to keep up with advances in technology, the protection given by copyright law has been considerably expanded over the years. Thus, today, not only is protection given to literary, dramatic, musical and artistic works (with, for instance, computer programs being protected as literary works), but also to sound recordings, films, broadcasts, cable programmes and the typographical arrangement of published editions. Copyright is a property right, but one result of this

expansion in protection is that, whereas this branch of the law used to be described by all as "intellectual property," it is now described, by some, as "industrial property.

Copyright is not a monopoly, unlike patents and registered designs, which are. Thus, if it can be shown that two precisely similar works were in fact produced wholly independently of one another, there can be no infringement of copyright by one of the other.

The second at p. 30 states:

Ideas, however original, are not protected by copyright. Consequently, where a very simple diagram embodies an original idea, it is the diagram and not the idea which is protected. In such a case the protection afforded by copyright is relatively weak, as exemplified by the case of *Kenrick & Co. v. Lawrence & Co.* [1890] 25 OBD PP. In that case the plaintiff conceived the idea of printing and publishing cards bearing a representation of a hand holding a pencil in the act of completing a cross within a square, with a view to such cards being used at elections by illiterate voters. The plaintiff procured an artist to make, under his directions, a drawing of the representation. Subsequently the defendants published similar cards with a hand holding a pencil, but the hand in the defendants' cards was in a slightly different position, though the idea was clearly taken from the plaintiff's cards. It was held that the defendants had not infringed the plaintiff's copyright. There was no copyright in the idea; the defendants' work was not an exact reproduction of the plaintiff's, and the plaintiff was not entitled to prevent anyone from producing such a simple design as a hand in a square in any form.

The third at pp. 58 and 59 says:

Copyright protection is given to literary, dramatic, musical and artistic works and not to ideas, and therefore it is original skill or labour in execution of the work, and not originality of thought, which is required. The word "original" does not, in this connection, mean that the work must be the expression of original or inventive thought; the originality required relates to the expression of the thought. The position in this respect under the Copyright Acts may be contrasted with the standard required for registered designs under the Registered Designs Act 1949. The requirement for registration under that Act is of novelty, so that, if a design in fact resembles an existing design, it may not be registered, even though the designer of the second design arrived at this design entirely independently of the first design. ... What the Copyright Acts require is that the work should originate from the author; it must not be copied from another work, for a mere copyist does not obtain copyright in his copy. This is the true meaning of "original". A work may be "original" in this sense, even though the author has drawn on knowledge common to himself and others, or has used already existing material. ... Despite the fact that the copying, even in the same medium, of an artistic work, requires a higher degree of skill and judgment than the mere reproduction of a literary work, it has been stated that skill, labour and judgment merely in the process of copying cannot confer originality and the mere copyist cannot have protection for his copy. Particularly, therefore, where the reproduction is in the same medium as the original, there must be more than an exact reproduction to secure copyright; there must be some element of material alteration or embellishment which suffices to make the totality of the work an original work. If the original, in the case of a painting, is used merely as a model to give the idea of the new work or, in the case of a photograph, merely as a basis to be worked up by photographic process to something different, then the new work may be entitled to protection; but, if the result is simply a slavish copy, it will not be protected. Thus, where the work was traced from an existing shape, that was held not to involve sufficient skill and labour to create an original artistic work.

It is my view that what the plaintiffs are in essence asking to protect is the idea of the function of the tyre and not its artistic value. As for the idea, it only relates to the principle on which the tyre functions. As for the authorship, it is not clear who was or were the artists of the drawings, whether he or they were qualified, when the drawings were done, to determine whether the copyright still subsists, and whether the artist or artists was or were employed or contracted by the plaintiffs to do the drawings. There is also no clear evidence as to whether the drawings are original. On the contrary, there is evidence that Continental Tyres in the United States had come up with a similar idea at an earlier stage. As for the expert's report which was served fairly late thus not enabling the defendant to come up with their own expert's report, the so-called plaintiff's expert is actually a forensic expert and not a tyre tread design expert.

With regard to passing off, the plaintiffs have not shown that the get-up is distinctive of the plaintiffs to the exclusion of all others and that the public would recognise the tyre by its get-up

and not its name. Goodwill and reputation would also depend on the period the tyres had been in the Malaysian market, the longer it is of course the better but since the plaintiffs had launched Aquatred only in October 1992 and their writ of summons had been filed on 23 June 1993, the period is a very short eight months, too short in the Court's opinion to establish any goodwill and reputation. None of the five requirements contained in *Pakai Industries Bhd. v. Chen Yew Industries Sdn. Bhd.* [1991] 2 CLJ 1574 namely -

(1) a misrepresentation;
(2) made by a trader in the course of trade;
(3) to prospective customers of his or ultimate consumers of goods or services supplied by him;
(4) which is calculated to injure the business or goodwill of another trade; and
(5) which causes actual damage to a business or goodwill of the trader by whom the action is brought.

have been proved in this case.

What is important, however, is that in practice when a customer wishes to purchase a tyre, whether or not with the central groove aqua design, he would normally ask for it by brand name, and if he wanted the tyre with the aqua design, he would of course quote the relevant name. The Court takes judicial notice that for all tyres, similar to the samples produced, both the brand name and the tyre name would be clearly imprinted on the tyres and no confusion would therefore arise as the customer would have chosen the brand first before deciding on the type of tyre he wants. With both the brand names and the tyre names on the tyres, a customer could hardly be confused by any similarity, if any, in the tread design. There is also no evidence that any one had been so confused. To grant the injunction would certainly give the plaintiffs an unfair monopoly of the tyre market for the aqua design.

It is also my view that the matter would be more properly dealt with at a full trial instead of merely on contentious affidavit evidence and an early trial, of course, would be more appropriate than the grant of the injunction to the plaintiffs pending the trial. As stated earlier, the plaintiffs' application is dismissed with costs as although there is a serious question to be tried, the balance of convenience lies in favour of the defendant.

**GOVERNMENT OF MALAYSIA**

**v.**

**SARAWAK PROPERTIES SDN. BHD.**

HIGH COURT, KUCHING
DATUK CHONG SIEW FAI J.
[SUIT NO. KG. 61 OF 1992 (I)
4 OCTOBER 1993

***REVENUE LAW: Proceeding by Government for recovery of taxes - Income Tax Act 1967 s.106(1) - Certificate of tax assessment by Director of Inland Revenue - Section 142(1) - Whether Certificate conclusive of the amount of tax due and payable - Whether Certificate open to challenge - Appeal against assessment - Whether allegation of incorrect assessment constituted appealable ground - Whether Court debarred from entertaining appeal - Section 106(3).***

***ESTOPPEL: Whether doctrine of estoppel applicable to Government in tax recovery cases - Whether representations made by Inland Revenue Officers to taxpayers in respect of non-liability of taxpayers to tax assessment bound the Government.***

By a letter dated 20 June 1987 sent to the defendant, the Inland Revenue Department, Sarawak, (the department) told the defendant that the defendant was not liable to any tax in respect of the year of assessment 1986. This representation, however, was a mistake and on 4 November 1992 a Certificate of tax assessment was issued to the defendant by the department's Director pursuant to s. 142(1) of the Act in which a tax of RM7,035,353.60, which included tax assessment for the year 1986 amounting to RM5,461,730.88, was certified as being due and payable to the plaintiff. The import of s. 142(1) in this respect was that the statement in the said Certificate was deemed to be evidence of the fact stated therein unless the contrary is proved.

The defendant appealed against the assessment and raised two main objections,namely, that the tax sought to be recovered was incorrectly assessed and secondly, that by virtue of the representation made on 20 June 1987, the Government was estopped from claiming the tax in respect of the year of assessment 1986.